



Cashless transactions leave out those without access to banks

May 11, 2023 | By Jeanne Kohl-Welles, King County Councilmember, District 4

Originally published in the [Seattle Times](#)

You've likely seen the signs in cafes, dry cleaners, or grocery stores reading "Card only," or "We've gone cashless." Many don't think twice about tapping a card to the screen, but what about domestic violence survivors with privacy concerns, kids with shopping lists, service workers with cash tips, unhoused people, or seniors on fixed incomes who use cash?

While cashless transactions may be efficient, the proliferation of cashless retailers signals a concerning trend that effectively locks out cash customers from participation in the local economy. This is why I introduced Proposed Ordinance 2023-0027 requiring retail businesses in unincorporated King County to provide a cash option.

Cashless transactions disproportionately harm populations who are most likely to be unbanked or underbanked, predominantly low-income, houseless, people of color, seniors, people with disabilities, kids, immigrants and refugees. Extrapolating from Bank On Washington's estimates for Washington, over 7,000 people are unbanked and 42,000 are underbanked in UKC.

People in low-income groups may have little credit history or poor credit ratings, making it hard to get bank accounts or to get them on reasonable terms. For those who have accounts, banking can bring hidden interest and overdraft fees, and there can be a risk of pulling people into the world of payday lending to resolve unexpected charges.

Outside of sheer necessity, many people choose to use cash for privacy reasons. Use of credit allows banks and corporations to access buyers' personal information, track their buying habits and can increase the risk for identity theft and hacking.

My proposal does not mandate that all purchases be paid in cash; rather it protects a cash option. And there's precedence — cashless bans have already been imposed in New York City, Philadelphia, San Francisco, Washington, D.C., Massachusetts, and New Jersey.

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Retailers' concerns about theft and security are understandable, but cash is not the only issue. Shoplifting is increasing, according to the National Retail Federation's 2020 Organized Retail Crime Survey. Even before the nationwide shortages, the survey identified baby formula, deodorant, and laundry detergent as some of the most-stolen items — a sign that some people may resort to shoplifting if they can't pay for their basic needs.

To acknowledge retailers' concerns, my legislation doesn't apply to transactions placed by telephone, mail, internet or automated kiosk, or to those greater than \$200, or rentals requiring a security deposit. Nor does it require retailers to accept suspected counterfeit bills or apply to businesses providing a device to convert cash to a prepaid card. Plus, businesses wouldn't have to accept bills greater than \$20.

This is proactive legislation, not reactive. In a region where it's becoming increasingly expensive to live, cashless businesses can make it even more challenging. The goal is to preserve access before it's too late, which is why this proposal is supported by the ACLU; ARC of King County; Chief Seattle Club; El Centro de la Raza; Faith Action Network; League of Women Voters; Low Income Housing Institute; Muslim Association of Puget Sound; Northwest Immigrant Rights Project; Purpose, Dignity, Action (Public Defenders Association); Real Change; Solid Ground; Transit Riders Union; UFCW 3000; and the White Center Community Development Association.

In the words of sociologist Matthew Desmond, "Poverty isn't simply the condition of not having enough money. It's the condition of not having enough choice and being taken advantage of because of that."

If you depended on cash to survive and were turned away, what would you do?

When cashless business practices erect a gate that excludes many from using our legal U.S. currency, many of our neighbors are left outside.

I say, let's make sure everyone has a key.

The County Council's Local Services and Land Use Committee meeting will hold a hearing on this proposal at 9:30 a.m. May 23.



Jeanne Kohl-Welles represents District 4 on the Metropolitan King County Council.



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